



7535-01-U

NATIONAL CREDIT UNION ADMINISTRATION

12 CFR Part 702

RIN 3133-AE44

Capital Planning and Stress Testing – Schedule Shift

AGENCY: National Credit Union Administration (NCUA).

ACTION: Final rule; correcting amendment.

SUMMARY: The NCUA Board (Board) published a final rule in the Federal Register on August 11, 2015, regarding the capital planning and stress testing provisions in NCUA's regulations. This amendment corrects the regulations by reinstating a provision that was inadvertently removed by the August 2015 final rule.

DATES: This correcting amendment is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER.]

FOR FURTHER INFORMATION CONTACT: Marvin Shaw, Staff Attorney, Office of General Counsel, 1775 Duke Street, Alexandria VA 22314 or telephone (703) 518-6553.

SUPPLEMENTARY INFORMATION: NCUA is correcting a technical error in the final rule NCUA published in the Federal Register on August 11, 2015 (80 FR 48012). This amendment corrects §702.504(a) of NCUA's regulations by reinstating §702.504(a)(2) which was inadvertently removed by the August 2015 final rule.

List of Subjects in 12 CFR Part 702

Capital, Credit unions, Reporting and recordkeeping requirements.

By the National Credit Union Administration Board on February 5, 2016.

Gerard Poliquin

Secretary of the Board

For the reasons discussed above, the National Credit Union Administration amends part 702 as follows:

PART 702 – CAPITAL ADEQUACY

1. The authority citation for part 702 continues to read as follows:

AUTHORITY: 12 U.S.C. 1766(a), 1790d.

2. In §702.504, revise paragraph (a) to read as follows:

702.504 Capital planning.

(a) Annual capital planning. (1) A covered credit union must develop and maintain a capital plan. It must submit this plan and its capital policy to NCUA by May 31 each year, or such later date as directed by NCUA. The plan must be based on the credit union's financial data as of December 31 of the preceding calendar year, or such other date as directed by NCUA. NCUA will assess whether the capital planning and analysis process is sufficiently robust in determining whether to accept a credit union's capital plan.

(2) A covered credit union's board of directors (or a designated committee of the board) must at least annually, and prior to the submission of the capital plan under paragraph (a)(1) of this section:

- (i) Review the credit union's process for assessing capital adequacy;
- (ii) Ensure that any deficiencies in the credit union's process for assessing capital adequacy are appropriately remedied; and
- (iii) Approve the credit union's capital plan.

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